

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2503 - HB 2785

March 13, 2012

SUMMARY OF BILL: Beginning 2013, requires the General Assembly to convene in a biennial regular session, meeting only in each odd-numbered year, and any extraordinary session called by the Governor. Legislative employees and staff remain continually employed in both even and odd-numbered years. Directs statutory references to annual legislative session be changed to biennial legislative session.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,202,400/FY12-13 and Biennially Thereafter
Decrease State Expenditures - \$3,112,200/ FY13-14 and Biennially Thereafter


Assumptions:

- Each General Assembly consists of two annual sessions, each of which lasts an average of 88 days, with members meeting four legislative days each week, for a total of 22 weeks.
- A Biennial General Assembly would consist of one biennial regular session in odd-numbered years and no session in even-numbered years. Each biennial regular session would last an average of 120 legislative days, with members meeting four times each week (three days in session and one day in committee), for a total of 30 weeks. In even-numbered years, each member would have an average of two legislative workdays per month from January through May, for a total of 10 legislative workdays per member.
- Members receive per diem in the amount of \$173 per legislative workday. During each annual session, per diem payments average \$2,009,568 (132 members x 88 days x \$173 per day). Each General Assembly averages \$4,019,136 (\$2,009,568 x 2 years) in total per diem payments.
- Members in a biennial regular session would receive \$173 per legislative day. During each biennial regular session, per diem payments would average \$2,740,320 (132 members x 120 days x \$173). In even-numbered years, per diem payments would average \$228,360 (132 x 2 legislative days x 5 months x \$173). Each biennial General Assembly would average \$2,968,680 (\$2,740,320 + \$228,360) in per diem payments.
- Each annual General Assembly members receive \$0.46 per mile for each round trip to the Capitol for official business, with round trips averaging 276 miles, resulting in an average of \$368,692 in mileage payments [132 members x 1 round trip x 22 weeks x (276 round trip miles x \$0.46)].

- Each biennial regular session members would receive an average of \$502,762 in mileage payments [132 members x 1 round trip x 30 weeks x (276 round trip miles x \$0.46)]. In even-numbered years, members would receive an average of \$167,587 in mileage payments [132 members x 2 round trips x 5 months x (276 round trip miles x \$0.46)]. Each biennial General Assembly would average \$670,349 (\$502,762 + \$167,587) in mileage payments.
- Hourly employees are hired during legislative session with an average payroll amount of \$42,200 per week. Additional salary costs for legislative employees during legislative session total \$201,500 each legislative session. For each annual General Assembly, additional session payroll is \$1,129,900 [(\$42,200 x 22 weeks) + \$201,500].
- For a biennial regular session, additional session payroll would total \$1,467,500 [(\$42,200 x 30) + \$201,500]. For an even-numbered year, there would not be any additional payroll costs.
- Each annual General Assembly averages expenditures of \$3,508,160 (\$2,009,568 per diem + \$368,692 mileage + \$1,129,900 payroll).
- Each biennial regular session would average expenditures of \$4,710,582 (\$2,740,320 per diem + \$502,762 mileage + \$1,467,500 additional payroll).
- Each biennial even-numbered session would average expenditures of \$395,947 (\$228,360 per diem + \$167,587 mileage).
- The salaries of members and full-time legislative staff would be unchanged from the current amounts.
- In odd-numbered years, beginning in 2013, state expenditures would increase by \$1,202,422 (\$4,710,582 – \$3,508,160).
- In even-numbered years, beginning in 2014, state expenditures would decrease by \$3,112,213 (\$3,508,160 – \$395,947).
- Each Biennial General Assembly would result in a net decrease in state expenditures of \$1,909,791 [(\$3,508,160 x 2) – (\$4,710,582 + \$395,947)].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/ldg